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COMMISSION OF THE EUROPEAN COMMUNITIES

COM(78) 335 final.

Brussels, 14 July 1978

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Proposal for a
COUNCIL REGULATION (EEC)
amending for the second time Regulation (EEC)
No 1930/76 on the distillation of the by-products of
wine-making

(submitted to the Council by the Commission)

COM(78) 335 final.

EXPLANATORY MEMORANDUM

The purpose of this Regulation is to amend certain provisions of Regulation (EEC) N° 1930/76 on the distillation of the by-products of wine-making. The change, which will enable alcohol prices differentiated according to origin, to be fixed along with a standard price, is necessary in order to obviate the risk that the end purpose of the obligation to distil the by-products of wine-making will not be attained in certain regions of the Community.

As transport and distillations costs vary for the different by-products when the relationship between the quantities of these differs from that on which the fixed price is based discrimination can ensue in certain regions of the Community between distillers which would hinder the normal progress of distillation.

Proposal for
COUNCIL REGULATION (EEC)

amending for the second time Regulation (EEC)
N° 1930/76 on the distillation of the by-products of
wine-making

THE COUNCIL OF THE EUROPEAN COMMUNITIES,

Having regard to the Treaty establishing the European Economic Community,

Having regard to Council Regulation (EEC) N° 816/70 of 28 April 1970 laying down additional provisions for the common organization of the market in wine¹ as last amended by Regulation (EEC) N° 2560/77², and in particular Article 24 (6) thereof,

Having regard to the proposal from the Commission,

Whereas Council Regulation (EEC) N° 1930/76 of 20 July 1976 on the distillation of the by-products of wine-making³, as amended by Regulation (EEC) N° 1676/77⁴, provides that the price to be paid by intervention agencies to the distiller shall be fixed annually by the Council on the basis of certain costs and of technical losses ; whereas this price may be differentiated according to whether marc, lees or wine is distilled in order to take into account, where necessary, the differing costs and losses ;

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¹ OJ N° L 99, 5.5.1970, p. 1
² OJ N° L 303, 28.11.1977, p. 1
³ OJ N° L 211, 5.8.1976, p. 1
⁴ OJ N° L 187, 27.7.1977, p. 5

Whereas a fixed price is satisfactory in several regions of the Community ; whereas however in other regions the relation between quantities of marc and those of wine and lees is such that the average distillation costs differ from those used to calculate the fixed price ; whereas this situation makes or risks making it economically impossible in certain of these regions to achieve the objective of the obligation to distil the by-products wine-making ;

Whereas it is therefore essential to provide for a fixed price and at the same time prices differentiated according to the origin of the alcohol while leaving it to the Member States to decide whether to apply the latter in regions where application of the fixed price leads to the difficulties referred to above ;

Whereas the use of this option must not increase the expenditure of the intervention agency and hence of the EAGGF ; whereas it is therefore necessary to correlate the differentiated prices with the fixed price so that the weighted average of the differentiated prices does not exceed the fixed price,

HAS ADOPTED THIS REGULATION :

Article 1

The following subparagraph is hereby added to Article 3 (2) of Regulation (EEC) No 1930/76 :

"In the case referred to in the first subparagraph, different prices for alcohol produced from marc and for alcohol produced from lees and from wine shall be fixed at the same time. Member States may decide to apply the latter prices when application of the price referred to in the first subparagraph makes or risks making it impossible to have one or more of the by-products of wine-making distilled in certain regions of the Community. The price levels fixed for alcohol produced from the different by-products shall be such that their weighted average does not exceed the price referred to in the first subparagraph".

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Article 2

This Regulation shall enter into force on 1 September 1978.

This Regulation shall be binding in its entirety and directly applicable in all Member States.

Done at Brussels,

For the Council
President